

TOVE LEARNING TRUST
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

TOVE LEARNING TRUST
(A company limited by guarantee)

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TOVE LEARNING TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS

Members

Mr C L Watt
Mr M Lawrence
Mr E Craven
Lord Edmiston
Lady Edmiston

Trustees

Mr C L Watt, Chair
Dr J Clarke, Chief Executive Officer & Accounting Officer
Mrs J Chitty
Mr T Foster, Vice Chair
Mr D Nicholson
Mr T Schilling

Company registered number

07525820

Company name

Tove Learning Trust

Principal and registered office

Brackley Road
Towcester
Northamptonshire
United Kingdom
NN12 6DJ

Company secretary

K Fell

Chief executive officer

Dr J Clarke

Senior management team

Dr J Clarke
Mrs S Wagstaff
Mr C Salt
Mr J Nairn, (from 1st January 2020)

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Independent auditor

Crowe U.K. LLP
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Bankers

Lloyds Bank Plc
2 George Row
Northampton
NN1 1DJ

Solicitors

Brown Jacobson LLP
Victoria House
Victoria Square
Birmingham
B2 4BU

TOVE LEARNING TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the 1 September 2019 to 31 August 2020. The Annual report serves the purposes of both a Trustees' report and a Directors' report under company law.

Up until January 2020, the academy trust operated seven secondary academies in Northamptonshire, Buckinghamshire and the West Midlands. In January 2020 Wootton Primary School transferred to Tove Learning Trust becoming the first Primary School to come on board. The trust's academies have a combined pupil capacity of 8,965 and had a roll of 7,550 during 2019/20.

Structure, governance and management

Constitution

The trust is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum of Association is the primary governing documents of the Academy Trust.

The charitable company is known as Tove Learning Trust.

Tove Learning Trust operated the following academies as at 31 August 2020:

Sponne School
Elizabeth Woodville School
Lord Grey Academy
Rushden Academy
Grace Academy Coventry
Grace Academy Solihull
Grace Academy Darlaston
Wootton Primary School

The Trustees of Tove Learning Trust are also the directors of the charitable company for the purpose of company law. Details of the Trustees who served during the year are included in the Reference and administrative details on page 1.

Members' liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

Trustees' indemnities

Trustees benefit from indemnity insurance to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust. The cost of this insurance in the year is covered by the Risk Protection Arrangement arranged by the ESFA. The overall limit of indemnity for this is £10,000,000.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

Method of recruitment and appointment or election of Trustees

As declared in our current Articles, our processes for recruitment of key parties are as follows:

Members:

The Members may agree by passing a special resolution to appoint such additional Members as they think fit.

- In addition to Article 13, the Members may agree by passing a special resolution to remove any Member(s). The Member whose proposed removal is the subject of the resolution shall not be entitled to vote on that resolution.
- In exercising their rights under these Articles and the Companies Act 2006, the Members shall not do anything or take any action which would cause the Academy Trust to contravene its Objects.
- Every person nominated to be a Member of the Academy Trust shall sign a written consent to become a Member and sign the register of Members on becoming a Member.

Trustees:

The number of Trustees shall be not less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum, although it is unlikely to exceed seven.

Tove Learning Trust shall have the following Trustees:

- Up to 4 Trustees, appointed by ordinary resolution
- A minimum of 2 Parent Trustees elected or appointed under Articles 53-56 but only if there are less than 2 Parent Governors on the Local Governing Body of each Academy.
- Subject to Article 57, the Parent Governor(s) shall be elected by parents of registered pupils at the Academy. A Parent Governor must be a parent of a pupil at the Academy at the time when he is elected.
- The Academy Trust may also have any Co-opted Trustee appointed under Article 58.
- Future Trustees shall be appointed or elected, as the case may be, under these Articles.
- The total number of Trustees including the CEO if they so choose to act as Trustee, who are employees of the Academy Trust shall not exceed one third of the total number of Trustees.
- All trustees (Except the Headteacher) serve for a 4 year period although they can stand for re- election.

The management of the trust is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association

Policies adopted for the induction and training of Trustees

Trustee membership has remained constant during 2019-20. Duncan Nicholson and Thomas Schilling who joined the trust in 2018-19 have completed their induction. They have been involved in a variety of activities such as recruitment panels, attending local governing body meetings across the trust and taking roles on the Audit Committee and Finance Committee further enhancing their knowledge and understanding of individual school issues and trust wide governance. Their professional expertise in legal practice and human resources information systems have provided valuable contribution to the scrutiny, debate and strategic development at trust board meetings. Trustees have also participated in a range of online governance network groups, webinars and training sessions which to update their knowledge on a wide range of governance topics. Any trustees volunteering to help with staff recruitment will be required to undertake the Safer Recruitment training before participating in the process. Trustee's induction and training is managed by the Clerk to Trustees / Company Secretary.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

Organisational structure

TLT has a board of trustees that has determined a scheme of delegation which identifies the level of autonomy for each layer of authority within the Trust. Otherwise, decision making of the board of trustees is as contained in the Funding Agreement including the Articles and Memorandum of the Association.

As a small Trust, the board of trustees had previously taken on the role of all proposed sub-committees. However, as the Trust has grown, for 2019-20 the Trustees divided into specialist committees that each focused on specific aspects associated with effective governance such as employer responsibilities and financial accountability. In particular, the board of trustees makes strategic high level decisions following advice from a range of sources including the CEO of TLT. A TLT Personnel Committee was established in September 2018 to review the MAT Pay Policy and to ensure fairness and consistency across all academy schools. The Board of Trustees verify the decisions made by the Personnel Committee and act as an appeal body if required. Audit and Finance committees were also established in September 19 to carry out the roles and responsibilities as defined in the Academies Financial Handbook.

Arrangements for setting pay and remuneration of key management personnel

The TLT Personnel Committee is the formal body for setting pay and remuneration of the academy trust's key management team.

The trust uses a variety of performance management software to ensure that there is parity across the trust in the monitoring of performance of its employees through a common, formal appraisal process. As the trust has chosen to stay with the national policies for pay, any pay set for both central teaching posts or support staff posts will be in line with national guidelines and reflect the seniority and responsibility of the roles across the trust.

Headteachers of the individual academy schools have their targets and their pay level set by the board of trustees following a recommendation from the CEO TLT and the chair of the local governing body. Other key trust staff such as the Chief Finance Officer, the Principal Accountant and Directors of School Improvement also use the performance management software and follow the appraisal process for the school in which they are based. The CEO makes a recommendation to the board of trustees for any increments or pay awards due.

The salary of the CEO is recommended by the Chair of the Board of Trustees and is benchmarked against comparative industry salary scales e.g., the STPC, NGA Guidance. Trustees then set the salary.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	9
Full-time equivalent employee number	8

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	3
1%-50%	6
51%-99%	-
100%	-

Percentage of pay bill spent on facility time

	£
Total cost of facility time	1,187
Total pay bill	32,223,833
Percentage of total pay bill spent on facility time	0.004 %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

Related parties and other connected charities and organisations

One of the common characteristics of the trust schools is that they are collaborative, community schools that often work with other schools to raise achievement or share good practice. These partnerships include:

South West Area Network (SWAN) Schools - informal collaboration between secondary schools in the south western part of Northamptonshire who are of similar size and composition. Relationship is one of support and sharing of best practice to improve learning and achievement. SWAN Schools is collective term rather than an organisation.

Grand Union Training Partnership (GUTP) - a secondary school initial teacher training scheme (SCITT) based at Sponne (the Lead School) but is a formal partnership of local schools, all of whom have representation on the GUTP governing body. However, it is not a legal entity in its own right and responsibility for the performance and viability of the scheme rests with the governing body of Sponne School. The Grand Union Training Partnership is very proud to announce that their high standard of training has been recognised by the Government and has been identified as one of the top 25% ITT Providers in the country.

In March 2014, Sponne School was awarded Teaching School status and the SWAN Teaching School Alliance (SWAN TSA) was developed and has now been successfully operating for over five years. The alliance has grown and accessing funding that is used for the benefit of all our local primary and secondary schools to deliver bespoke training and school to school support. There is a change to the structure and designation of Teaching schools proposed by the DfE to create regional hubs but the finer details of this are yet to be published. This may however have a significant impact on the way we run the SWAN Teaching School Alliance in future years.

Engagement with employees (including disabled persons)

Wootton Primary School joined the trust in January 2020 and were therefore subject to employee consultations as part of the due diligence and TUPE processes.

First Friends Day Nursery, based at Rushden School were invited to consult on the proposal to close the nursery due to financial unviability which was impacted even further by the onset of the pandemic. The consultation ran during the summer term which resulted in the decision to close the nursery in August 2020 and all employees were made redundant.

This year Tove Learning Trust established a more formal mechanism of working with trade unions due to the recent growth and increased number of employees within the trust. A Joint Consultation Committee was established in June 2020 for consulting with union representatives on policy reviews and providing regular information exchanges affecting employees. The trust encourages employee representatives of the recognised unions and routinely consults on policy amendments and widespread change.

The trust actively implements an Equal Opportunities policy and the best person for an advertised post will be employed, regardless of any protected characteristics including having a disability.

Any persons who develop a disability throughout their employment with the trust will be supported to continue with their role with appropriate modifications or reasonable adjustments. This may include, but not limited to, the physical provision of mobility aids or amendments to job roles or working conditions to facilitate the change in circumstances.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

Engagement with suppliers, customers and others in a business relationship with the trust

The Trustees recognise the need to foster the trust's business relationships with suppliers, customers and others, and have considered the effect on the principal decisions taken by the trust during the financial year.

The impact of the global pandemic has been a huge consideration to the way the trust has reached out to its stakeholders and has had to improve communications and consider parental anxieties in a wider variety of ways.

The responsibility for the safety and welfare of students, staff and visitors coming to the site has been top of their priorities which has been reflected in more frequent risk assessments, the interpretation and implementation of complex guidance from local health authorities, the Department for Education and other authorities.

The Trustees accept their duty to promote the success of the trust by acting in a way that would be most likely to promote the success of the trust. This might include:

- considering the likely consequences of any decision in the long term,
- considering the interests of the trust's employees,
- developing the trust's business relationships with suppliers, customers and others,
- considering the impact of the trust's operations on the community and the environment,
- considering the desirability of the trust by maintaining a reputation for high standards of business conduct, and
- the need to act fairly between members of the trust.

Objectives and activities

Objects and aims

Tove Learning Trust exists to promote high quality educational experiences to young people of compulsory school age and in so doing, to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing of a school offering a broad and balanced curriculum. This includes succession planning and the development of outstanding teachers through training and development. It also aims to promote for the benefit of the inhabitants of South Northamptonshire, Milton Keynes and the West Midlands the provision of facilities for recreation of other leisure time occupation of individuals who have need of such facilities by reason of their young age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Objectives and activities (continued)

Objectives, strategies and activities

Tove Learning Trust's priorities for 2019-20 were focused on continuing to drive school improvement and outcomes for pupils, combined with additional improvements within core functions to deliver high quality service provision and consistency across all schools in the trust.

Priority one: school improvement

- High quality teaching
- Teaching school hub development
- School Improvement Directors provide effective support & challenge

Priority two: governance

- Consolidating improvement in governance
- Purposeful strategic growth
- Local Governing Body's fit for purpose
- Trustees & Local Governing Body prepared for Ofsted

Priority three: Leadership

- Ensure MAT central leadership is fit for purpose
- Headteachers equipped to lead schools strongly
- TLT as one organisation

Priority four: Financial stability

- 3-5 plan financial plan demonstrates sustainability
- Financial efficiencies are diagnosed & achieved

Priority five: Risk management

- Risk register is reviewed regularly & acted on

Priority six: Outcomes for pupils

- MAT schools are increasingly effective
- Y11 P8 of zero or better
- Y6 progress close to zero or better
- Y13 progress close to zero or better

Public benefit

The Board of Trustees have complied with their duty to have due regard to the guidance on public benefit as published by the Charity Commission in exercising their powers or duties. The activities undertaken to further the academy trust's purpose for the Public Benefit include:

- The pursuit of education in all aspects of the wider community;
- Admitting students in accordance with its Admissions Policy;
- Letting its facilities to promote the local community;
- Participating in Primary liaison activities and supporting Adult Education; Developing the SWAN TSA to further our collaborative work with other schools.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report

Achievements and performance

The 2019-20 academic year was challenging for a number of reasons, all largely related to the Covid-19 situation and the rapidly changing landscape that we were operating in. In the second part of the year it was difficult to keep pace with the volume of information coming out to schools and to keep on top of the almost daily changes to the parameters and guidance for schools. However, it was also a very positive year for the trust where despite the circumstances, the senior teams rose majestically to the challenge and we managed to achieve many of the priorities that we set at the beginning of the year.

Priority one: school improvement

- A team of senior executives has focused on developing a trust wide assessment strategy underpinned by latest pedagogical research.
- The Data Strategy Manager has created and embedded a culture of data analysis where valid and reliable data helps school leaders take meaningful decisions, which support effective teaching strategies and help students know how well they are progressing and where they need to focus their efforts to meet their targets.
- We were well placed to start with on-line learning once lockdown began as we had already moved across to the Google software system so Google classroom was set up and ready to go by the end of the first week. All staff had developed and honed their remote teaching or home working skills by the summer term.
- The team of School Improvement Directors have worked effectively in schools to raise the quality of teaching and leadership and have added value through the provision of shared CPD opportunities.

Priority two: governance

- Considerable work has been undertaken to consolidate improvements in governance across the trust during the year.
- Due to the successful drive and focus of Grace Academy Solihull Academy Improvement Board (AIB), it transferred to being a Local Governing Body (LGB) in November 2019.
- Shadow governors were also appointed to Rushden Academy and Lord Grey Academy in the summer term 2020 in readiness for their transition from AIBs to LGBs in the September 2020.
- These changes were possible due to the increased challenge and accountability from the governors which has impacted on significant school improvement.

Priority three: Leadership

- Work has continued with the school leadership teams to ensure they are equipped to lead schools strongly.
- MAT central leadership has been strengthened to provide high quality leadership and focus on the strategic development of the trust with the appointment of a Director of Secondary and a Director of Primary.
- School leaders have also been provided with bespoke executive development and coaching during the past year, working in partnership with external educational thought leaders.

Priority four: Financial stability

- The three to five year financial plan demonstrates sustainability.
- A new finance software package has been introduced at central MAT level and across all trust schools to ensure rigor and control across all levels.
- Tove Learning Trust has remained financially viable and has an effective means of reporting to decision makers regarding financial control and scrutiny.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

Achievements and performance (continued)

Priority five: Risk management

- The risk register is reviewed regularly and acted on.
- Trustee/LGB/AIB meetings review relevant risk registers to ensure appropriate action is taken to minimise risks.
- A particular risk that schools have effectively managed this year is the safe return of children and adults to schools after the lockdown closures in connection with Covid-19. Schools have worked in partnership with health and safety consultants to ensure the most rigorous risk assessments have been undertaken.

Priority six: Outcomes for pupils

- Challenging targets were set for all our pupils to raise the quality of education in each school.
- MAT schools strive to be increasingly effective measured either by external public exams or by Ofsted inspections, and all our schools are on an upward trajectory and continually improving.

Key performance indicators

Exam Results

This was an exceptional year for examination results as for the first time ever, the actual examinations were not sat, but instead the pupils received a mark based on teacher grades or through the government algorithm.

Although these results are not comparable to previous years, attainment and progress were in line with our expectations. Our internal data shows that significant improvement occurred in many trust schools compared to actual examination results in 2019.

The trust is committed to raising standards and has high ambition for all our pupils, regardless of their starting points. We set high individual targets for pupils to aspire to in their learning. In many cases, pupils do reach or exceed these. Overall, our pupils make strong gains in their learning across the trust.

A level results were broadly in line with our expectations. Almost all students gained their places at their chosen universities or entered appropriate employment and/or training following their sixth form studies. The number of sixth form students is small in some of our schools, so it is difficult to draw firm conclusions from the outcomes at specific schools.

Financial benchmarks

The relevant financial benchmarks that the trust uses in determining its performance can be found within the financial review section of this report.

Ofsted

Ofsted Judgement

Sponne

Elizabeth Woodville School

Lord Grey Academy

Rushden Academy

Grace Academy Coventry

Grace Academy Darlaston

Grace Academy Solihull

Wootton Primary School

Outstanding – October 2012

Requires Improvement – February 2019

No judgement – new school to the Trust

No judgement – new school to the Trust

Requires Improvement – January 2019

Good – May 2017

Good – May 2017

Good – November 2018

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

Achievements and performance (continued)

Attendance figures

These are comparable to previous years for the period Sept 19 to March 20 but after this date, due to lockdown, schools closed to most pupils for around six months.

Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Financial Review

The trust received income into its Unrestricted Fund, Restricted General Funds and Fixed Asset Fund during the year.

Restricted General Fund

The majority of the trust's income was received through Education and Skills Funding Agency (ESFA) recurrent revenue grants into the Restricted General Fund, the use of which is restricted to the trust's charitable activities, its educational operations. These revenue grants and the associated expenditure made against them are detailed in the SOFA. General Restricted Fund income for the year was £42,222,389 (2019: £30,363,753) (excluding pension liabilities assumed on conversion); expenditure against the fund was £42,415,505 (2019: £30,105,431) including £2,106,000 (2019: £1,926,000) in relation to Actuarial movements in the LGPS pension deficit. After transfers there is an in year deficit of £385,062 (2019: surplus of £58,314) in the restricted general fund excluding the movement on the pension deficit liability.

Unrestricted Funds

Income received into the Unrestricted Fund was £1,873,020 (2019: £1,622,872). Expenditure against the fund was £781,938 (2019: £1,156,693) for the year, giving an Unrestricted Fund, in year surplus of £1,091,082 (2019: £466,179). After transfers there is an in year surplus of £1,091,082 (2019: £466,179) on the unrestricted fund.

Restricted Fixed Asset (Capital) Fund

The Restricted Fixed Asset Fund balance is increased by capital grants received during the year offset by an annual depreciation charge over the expected useful life of the assets concerned in line with the trust's Depreciation Policy.

Income received into the fund included £1,748,157 (2019: £2,939,052) which relates to SCA (2019: CIF) and DFC capital grants that have been awarded to the trust during the year.

Expenditure from the fund equates to £3,442,000 of depreciation (2019: £2,111,570).

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TRUSTEES' REPORT (CONTINUED)
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Strategic report (continued)

Achievements and performance (continued)

Summary of Financial Position

Total fund balance as at 31st August 2020 was £112,409,616 (2019: £115,818,453) comprised of a surplus of £2,165,813 (2019: £1,074,731), £1,188,132 (2019: £1,573,194) and surplus of £131,453,671 (2019: £130,682,528) in Unrestricted, Restricted and Restricted Fixed Asset Funds respectively excluding the pension fund deficit of £22,398,000 (2019: £17,512,000).

Balance Sheet

The trust's assets were predominantly used for providing education to school students within the trust.

Some assets were used by the local community, predominantly for sports but also working with local charities to raise funds and support for the elderly and disadvantaged.

The net book value of the trust's tangible fixed assets was £130,519,996 (2019: £128,550,441) as at 31st August 2020. Cash at bank at 31st August 2020 was £5,164,685 (2019: £3,983,786) , which includes capital grants received, but not yet spent at the year end.

Reserves policy

The trust's free reserves as at 31 August 2020 totalled £3,353,945 (2019: £2,647,925) consisting of £1,188,132 (2019: £1,573,194) of restricted income funds and £2,165,813 (2019: £1,074,731) of unrestricted income funds.

The free reserves equate to approximately 5 weeks of trust recurrent payroll costs, excluding FRS 102 adjustments in relation to actuarial movements.

The trust's Reserve Policy adheres to the legal requirement not to retain income reserves for an excessive period of time. Usually, restricted reserves derived from grant income would be excluded from the definition of reserves, since expenditure on such income is allocated for specific purposes. However, the Trust needs to balance the potential volatility in pupil numbers, increasing inflation, the uncertainty of Government specific grant funding to support the annual teacher's pay awards and the need to invest in its capital infrastructure to maintain a good state of repair against this policy.

Covid-19 Financial Impact

Only four schools were able to take advantage of the furlough scheme due to the fact that our employees are largely funded by the GAG funding. The staff supported by the scheme were linked to a Nursery, after school club, leisure centre and teaching school where their salaries were covered by external income. Details of the expenditure can be found in note 4 of the accounts.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Investment policy

As the trust is still relatively new, central reserves are still limited and cashflow can be quite erratic. Therefore it has not been considered necessary as yet to pursue investment opportunities. It is desirable that individual school balances are such that they ensure that the school can operate successfully for the next 2 years and their reserves can cover 2 months payroll. Using this strategy there are no spare funds that will not be used within the next 12 months that require any long term investment. Financial advice is received from the bank on the trust's balances and any decision to deviate from current practice will be considered and discussed at the relevant Trustees meeting as appropriate.

Principal risks and uncertainties

The Trustees consider that the principal risks facing Tove Learning Trust in the near future are:

Operational Risk

- Ability to maintain outstanding teaching provision to students in 'bubbles' or via remote learning whilst the pandemic continues.
- Schools able to remain open with an adequate number of teachers to provide a consistent and constant access to learning for the students
- Shortage of skilled teachers across the trust, particularly in Maths, English and Science.
- Pressure and desire to perform well creating an increase in mental health issues for staff and students.

Mitigated by:

- Regular training and sharing of resources to enable high quality teaching & learning to take place over various mediums at short notice.
- Regular review of Risk Assessments relating to the control of the Covid-19 virus in school and maintaining social distancing from students and colleagues at all times.
- Careful and targeted marketing of opportunities throughout the Trust for existing and new appointments for skilled staff to ensure high calibre staff are attracted and retained within the Trust. Build on the Employer Brand.
- Careful monitoring of workload and greater signposting of external agencies that can provide emotional and wellbeing support for staff and students and continuing to work with the health agencies to improve the outcomes of our students.

Performance Risk

- Curriculum Change - substantial changes in exam specification and course content at A level and GCSE could lead to lower outcomes.
- Focus on the development of the Teaching School, GUTP and the trust may dilute the performance at individual schools.

Mitigated by:

- Keeping up to date with the recent changes in exam structure and courses of study. Ensuring our offer is tailored to our students but still able to attract others from outside the catchment area.
- Creating a sustainable and successful structure for the development of these areas that does not put a strain on the lead school's resources or anywhere else. Ensure a shadow structure is in place for all aspects.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Reputational Risk

- Parental knowledge - lack of understanding of new benchmarks for achievement in schools.
- Expansion of the trust and the impact on individual schools.

Mitigated by:

- Ongoing communication programme with parents to support understanding of the new grading scheme and the direct correlation to their child's progress and attainment.
- Ensure robust communication with all stakeholders to inform and enhance the trust and share the positive aspects of its growth.

Financial Risk

Falling student numbers in the catchment area for individual schools.

- Changes to funding mechanism in relation to teachers salaries
- Admission of new school's into the trust may bring financial liabilities and capital investment requirements with them.
- Ensuring all new schools admitted to the trust comply with the ESFA's Academies Handbook and the articles of the trust.

Mitigated by:

- Continuing to market the schools' and trust's successes to both the local and wider community and ensure standards remain high and levels of achievement are outstanding.
- Keeping up to date with funding news for schools so as to predict any potential shortfalls and plan for their management.
- Develop the on-boarding process to ensure Due Diligence highlights any potential liabilities in advance of any transfer and additional funding could be sought to offset the new costs
- Ensure the central trust finance team monitor and intervene as appropriate to ensure full compliance.

Fundraising

The trust is keen to support a range of good causes both locally, nationally and internationally and encourages involvement by students and the school communities to raise funds periodically throughout the school year. The Student Councils in all schools consider good causes for support on an annual basis and these are agreed with senior leaders to ensure those charities are appropriate. Recent charities supported include Red Nose Day, Teenage Cancer Trust, Save the Children and Royal British Legion Poppy appeal. Fund-raising is generally through non-uniform days and cake sales. There is no obligation on students / parents or the communities to support the charities although support is strong. The trust works closely with its Parent and Friends Associations (PFA) who work to raise funds for the schools and their students.

Local Businesses are keen to support the trust and on occasion donate equipment or small cash donations to help towards specific projects or activities. Similarly, our schools become involved in community projects, food banks and local performances to support the communities.

The trust does not operate a regulated fund-raising scheme nor does it employ or use the services of a professional fund-raiser either centrally or within the individual schools.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Plans for future periods

The trust has entered into an agreement to take over the running of the Lakes Academy Trust this will entail two new primary schools being introduced, this transfer will be effective from 1 September 2020.

The next 12 months will be a time of uncertainty for Tove Learning Trust and the wider school communities. The effect of Covid-19 on the teaching and learning has been immense and the pressure for the staff and students to maintain current standards via remote learning and erratic attendance due to self-isolation periods will be a major challenge. However during this time the trust will continue to try to improve the educational outcomes for all students and raise the standard of teaching across the board. The Apprenticeship Levy has continued to be put to good use to support a wider range of staff in their professional training and personal development. The trust took on it's first primary school this year and the next 12 months will see more Primary schools come on board to develop the primary arm of the trust and build central resilience in this area.

Priorities for the Trust in 2020-21 are:

- 1. Outcomes for pupils**
 - All pupils make strong progress, regardless of the starting points
 - A range of measures exist to determine pupil progress
- 2. Governance**
 - Purposeful, strategic MAT growth
 - Coherent approach to developmental learning for those governing
 - Strong, consistent approach to governance at all levels
- 3. School improvement**
 - High quality teaching is consistently available to all pupils
 - Joined up approach to supporting and developing the quality of teaching
 - Teaching school opportunities are harnessed and utilised effectively
- 4. Leadership**
 - MAT central leadership is fit for purpose
 - Headteachers are equipped to lead their schools strongly
 - Tove Learning Trust is perceived as a single entity with each school retaining its own identity
- 5. Financial sustainability**
 - Tove Learning Trust is financially a going concern, particularly post-covid
 - Curriculum and financial planning become increasingly linked
 - Capital funds are used effectively to improve our estate
 - Leaders and governors embrace the management of risk routinely
 - Risk management is strong
 - Current and 3-5 year risks identified;
 - Risk register and mitigation strategies are reviewed regularly

Funds held as custodian on behalf of others

Cashless Catering Account - money held on behalf of parents who pay via various on line packages to top up their child's dinner money account.

TOVE LEARNING TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Streamlined Energy and Carbon Reporting (SECR)

Effective from 1 April 2019, The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 introduced the requirement for annual energy and carbon reporting. This is the first year of reporting. Future reports will compare performance against the previous year.

Emissions are divided into three categories, or Scopes, and tabulated below:

GHG Emissions & Energy for the Reporting Year 1 st September 2019 to 31 August 2020	Energy Equivalent kWh	Carbon Emissions tonnes CO ₂ e
Scope 1 – Direct Emissions		
Natural Gas Consumption	7,672,262	1,410.70
Minibus Fuel	48,973	12.50
Scope 2 – Indirect Emissions		
Electricity Consumption	4,840,143	1,128.43
Scope 3 – Other Indirect Emissions		
Employee owned car travel (grey fleet)	46,639	11.35
Electricity transmission & Distribution		97.04
Total	12,608,017	2,660.02
Intensity Ratio	0.360 tonnes (CO ₂ e) per student	

Methodology

Greenhouse gas emissions are reported in gross tonnes CO₂e in line with the requirements of large unquoted companies set out in the UK Government's Environmental Reporting Guidelines (March 2019 version) and use the UK Government GHG (Green House Gas) Conversion Factors for Company Reporting (2020 version 1.0). The operational control approach for the Trust's activities has been applied and is guided by the GHG Protocol – Corporate Standard (revised edition). Fuel conversion factors based on net calorific value have been applied to fuel used for transport and gross calorific value for natural gas.

Emissions from fuel use in school owned mini-buses have been determined from a variety of sources. Where mileage is recorded these are converted using the Government GHG Conversion Factors. Where expenditure only has been recorded an estimate has been made of total litres based on average monthly fuel costs provided in AA Monthly Fuel Price Reports. Mileage, where employees have used their own vehicle for school or Trust use, is recorded and converted using the appropriate factor.

Emissions from electricity are location based and report grid purchased electricity (Scope 2) including associated transmission and distribution losses (Scope 3). Due to changes of electricity suppliers and delays in receiving information due to the Covid 19 situation estimates have had to be made of the electricity consumption for several schools. Where accurate information becomes available this will be used to provide an amended comparison in 2021.

The total includes Wootton Primary School that joined the trust in January 2020.

TOVE LEARNING TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

The Intensity Ratio calculation is based on the Total tonnes of Carbon dioxide equivalent (CO₂e – the term used to describe different greenhouse gases in a common unit) divided by the number of students recorded on the School Census at the beginning of the academic year.

Energy Efficiency

As part of a rolling refurbishment programme a number of classrooms have been upgraded to incorporate LED lighting.

Disclosure of information to auditor

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- that Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 18/12/20 and signed on its behalf by:



Mr C L Watt
Chair of Trustees

TOVE LEARNING TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Tove Learning Trust has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer (CEO), as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Tove Learning Trust and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The Board of Trustees has formally met 8 times during the year.

Attendance during the year at meetings of the board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mr C L Watt, Chair	8	8
Dr J Clarke, Chief Executive Officer & Accounting Officer	8	8
Mrs J Chitty	7	8
Mr T Foster, Vice Chair	7	8
Mr D Nicholson	7	8
Mr T Schilling	8	8

Additional meetings have been included throughout this year to enable Trustees to keep up to date with operational challenges facing schools due to the pandemic, and to actively manage any risks associated. Trustees have met virtually via secure meeting platforms to enable regular information sharing and to offer practical support and guidance to school leaders.

In 2019-20 the full board of trustees was complimented by the newly formed Finance committee and Audit Committee.

The Finance Committee was formed in June 2020. Attendance for the Finance Committee was as follows (* non-members)

Trustee	Meetings attended	Out of a possible
Mr D Nicholson	1	2
Mr C Watt	2	2
Dr J Clarke	2	2
Mr T Schilling *	2	2
Mr T Foster *	2	2
Mrs J Chitty *	1	1

TOVE LEARNING TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The broad remit of the Finance Committee was

- Funding review – budget setting, financial strategy and management of reserves
- Financial scrutiny – monitoring of income, expenditure, cashflow and grant allocations
- Financial procedures – approve annual financial statements
- Property Management – Asset management (land & buildings etc), SCA Allocations

An Audit Committee was formed in January 2020. Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr T Foster, Chair	4	4
Mr D Nicholson	4	4
Mr T Schilling	3	4

The remit of the Audit Committee was

- To maintain an oversight of the Academy Trust's (AT's) financial, governance, risk management and internal control systems.
- Appoint External Auditor
- To report its findings termly and annually to the Trust Board and the Accounting Officer as a critical element of the AT's annual reporting requirements.
- The Audit Committee has no executive powers or operational responsibilities/duties.

The Trustees completed a skills audit in November 2018 to highlight the composition of experience across the board. There have been no changes to the board in this time but the audit has been updated to reflect the new appointments that have been made which has warranted a further audit to be carried out.

Area: Strategic Leadership

Trustees have above average experience in this area with the exception of the following:

Experience of agreeing expansion plans & conducting due diligence - On the job experience and ongoing development has improved competence in this area.

Area: Accountability

Trustees have above average experience in this area with the exception of the following:

Experience of property & estate management (Desirable) - Training still required for 1 trustee, however the trust did appoint a full time Estates Manager with specialist expertise in October 2019 to support this area.

Experience of marketing, media & PR (Desirable) - 1 trustee has gained experience in this area. The MAT is currently advertising for a Marketing Manager to support the Trustees in this area.

Area: People

Trustees have extensive experience in this area with no exceptions.

Area: Structures

Trustees have above average experience in this area with no exceptions.

Area: Compliance

Trustees have extensive experience in this area with no exceptions.

Area: Evaluation

Trustees have extensive experience in this area with no exceptions.

TOVE LEARNING TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 8 times during the year.

In the course of the year the Trustees:

- Carried out a review of governance at one new school and monitored progress at the existing member schools
- Introduced an Audit Committee now the trust has an income in excess of £50 million
- Attended a higher number of local governing body meetings due to being able to connect virtually rather than attend in person, which has been a positive side-effect of the pandemic and a move to virtual meetings
- Successfully recruited new governors at Lord Grey, Rushden and Grace Academy Solihull Academy Improvement Board to add strength and breadth to the governance structure and to support their transition to Local Governing Body's.

TOVE LEARNING TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

As Accounting Officer, the Chief Executive Officer (CEO) has responsibility for ensuring that the trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the trust has delivered improved value for money during the year by:

Reviewing staffing and curriculum offer

- Ensuring staff are suitably qualified and skilled to carry out the roles for which they are paid;
- Delivering a curriculum that is fit for purpose and fits the student profile of our schools;
- Managed the move to remote learning by the efficient use of our shared learning platform.
- Actively promoted and embraced the use of virtual meetings which has found efficiencies in time and money

Rigorous market testing for Supplies and Services

- Obtaining competitive quotations for all goods and services over £1,000;
- Undertaking a trust wide IT Strategy review to look at harmonizing procurement for greater efficiencies
- Going to competitive tender for larger contracts i.e. cleaning and ensuring the contracts obtained are value for money;
- Used the expertise of the Estates Manager to link or joint procure premises related services.
- All contracts and services are regularly reviewed to ensure we receive best value in terms of service provision and price and evaluate whether a trust wide contract would be more efficient.

Development of the Teaching School

- Use of teaching school for delivering bespoke, local courses for essential training keeping travel costs and time out of school to a minimum;
- Developing a network structure for all subject areas to share workload and resources;
- Providing a culture of support between schools and colleagues to drive school improvement.

During the first lockdown, the trust considered the guidance issued by the DfE in relation to the PPN 02/20 notices issued by the Cabinet Office. There were only a few areas that had a direct impact on our schools namely catering contracts, cleaning contracts and exam fees.

For catering, most schools continued to pay their contractors for Free School Meal (FSM) allocation based on an average of the previous three months as advised, whilst operating the governments FSM voucher system.

For cleaning contracts, in order to retain the services of the contractors when the school returned to an open status, full payment was made to external contractors for the months of April, May and June.

In relation to exam fees, full fees were paid for all original entries but later in the year, it was declared that some of those funds would come back to schools and this is covered elsewhere in the accounts and management report.

The trustees were mindful of balancing value for money with the need to retain services for when business as usual could be resumed.

TOVE LEARNING TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Tove Learning Trust for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the trust's significant risks that has been in place for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees. This process has been enhanced in terms of frequency of review in this financial year due to the Covid-19 situation and the need for more regular reviews of the emerging risks in relation to this.

The risk and control framework

The trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- regular reviews by the Board of Trustees of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties
- identification and management of risks

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint Ellacotts as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the trust's financial systems. In particular the checks carried out in the current period included:

- Financial procedures & governance
- Fixed Assets
- Local Governing Body meeting minutes
- Lettings
- Procurement
- Personnel & Payroll procedures

On a termly basis, the auditor reports to the Board of Trustees through the Audit Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

TOVE LEARNING TRUST
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GOVERNANCE STATEMENT (CONTINUED)

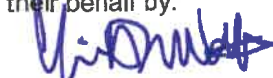
Review of effectiveness

As Accounting Officer, the Chief Executive Officer (CEO) has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the internal auditors and a plan to address weaknesses and ensure continuous improvement of the system is in place.

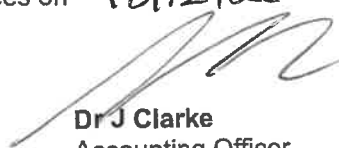
Approved by order of the members of the Board of Trustees on
their behalf by:



Mr C L Watt
Chair of Trustees

18/12/20

and signed on



Dr J Clarke
Accounting Officer

TOVE LEARNING TRUST
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Tove Learning Trust I have considered my responsibility to notify the academy trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the trust board of Trustees are able to identify any material irregular or improper use of all funds by the trust, or material non-compliance with the terms and conditions of funding under the trust's funding agreement and the Academies Financial Handbook 2019.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the board of Trustees and ESFA.



Dr J Clarke
Accounting Officer

Date: 18/12/20

TOVE LEARNING TRUST
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

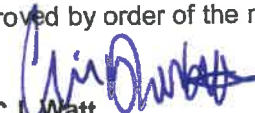
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Trustees on 18/12/20 and signed on its behalf
by:


Mr C L Watt
Chair of Trustees

TOVE LEARNING TRUST
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF TOVE LEARNING TRUST

Opinion

We have audited the financial statements of Tove Learning Trust (the 'trust') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the trust's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

TOVE LEARNING TRUST
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF TOVE LEARNING TRUST (CONTINUED)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditor's report thereon. Other information includes the Reference and administrative details, the Trustees' report including the Strategic report, and the Governance statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

TOVE LEARNING TRUST
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF TOVE LEARNING TRUST (CONTINUED)

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the trust or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

Use of our report

This report is made solely to the charitable trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable trust's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Helen Drew (Senior statutory auditor)
for and on behalf of
Crowe U.K. LLP
Statutory Auditor

Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Date:

TOVE LEARNING TRUST
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO TOVE LEARNING TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 15 April 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Tove Learning Trust during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Tove Learning Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Tove Learning Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Tove Learning Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Tove Learning Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Tove Learning Trust's funding agreement with the Secretary of State for Education dated 26 February 2015 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the trust's income and expenditure.

The work undertaken to draw to our conclusion includes a review of the design and implementation of the trust's internal controls and review processes on regularity, supported by detailed tests on samples of costs incurred by the trust and specific transactions identified from our review.

TOVE LEARNING TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO TOVE
LEARNING TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Crowe U.K. LLP

Reporting Accountant

Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Date:

TOVE LEARNING TRUST
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:						
Donations and capital grants:	3					
Transfer from academy trust		266,942	(688,000)	2,273,040	1,851,982	60,252,000
Other donations and capital grants		216,089	-	1,748,157	1,964,246	2,970,069
Charitable activities	4	1,181,764	42,078,597	-	43,260,361	31,282,108
Teaching schools	30	-	143,792	-	143,792	365,917
Other trading activities	5	204,942	-	-	204,942	239,481
Investments		3,283	-	-	3,283	3,102
Total income		1,873,020	41,534,389	4,021,197	47,428,606	95,112,677
Expenditure on:						
Raising funds		12,993	-	-	12,993	217,743
Charitable activities	6	768,945	44,336,670	3,442,000	48,547,615	34,715,780
Teaching schools	30	-	184,835	-	184,835	366,971
Total expenditure		781,938	44,521,505	3,442,000	48,745,443	35,300,494
Net income/(expenditure)		1,091,082	(2,987,116)	579,197	(1,316,837)	59,812,183
Transfers between funds	17	-	(191,946)	191,946	-	-
Net movement in funds before other recognised gains/(losses)		1,091,082	(3,179,062)	771,143	(1,316,837)	59,812,183
Actuarial losses on defined benefit pension schemes	24	-	(2,092,000)	-	(2,092,000)	(4,329,000)
Net movement in funds		1,091,082	(5,271,062)	771,143	(3,408,837)	55,483,183

TOVE LEARNING TRUST
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Reconciliation of funds:						
Total funds brought forward		1,074,731	(15,938,806)	130,682,528	115,818,453	60,335,270
Total funds carried forward		2,165,813	(21,209,868)	131,453,671	112,409,616	115,818,453

TOVE LEARNING TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 07525820

BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	13	130,519,996	128,550,441
		<u>130,519,996</u>	<u>128,550,441</u>
Current assets			
Debtors	14	2,146,390	3,493,561
Cash at bank and in hand		5,164,685	3,983,786
		<u>7,311,075</u>	<u>7,477,347</u>
Creditors: amounts falling due within one year	15	(3,023,455)	(2,686,671)
Net current assets		4,287,620	4,790,676
Total assets less current liabilities		<u>134,807,616</u>	<u>133,341,117</u>
Creditors: amounts falling due after more than one year	16	-	(10,664)
Net assets excluding pension liability		134,807,616	133,330,453
Defined benefit pension scheme liability	24	(22,398,000)	(17,512,000)
Total net assets		<u><u>112,409,616</u></u>	<u><u>115,818,453</u></u>

TOVE LEARNING TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 07525820

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Funds of the trust			
Restricted funds:			
Fixed asset funds	17	131,453,671	130,682,528
Restricted income funds	17	1,188,132	1,573,194
Restricted funds excluding pension liability	17	<u>132,641,803</u>	<u>132,255,722</u>
Pension reserve	17	<u>(22,398,000)</u>	<u>(17,512,000)</u>
Total restricted funds	17	110,243,803	114,743,722
Unrestricted income funds	17	2,165,813	1,074,731
Total funds		<u>112,409,616</u>	<u>115,818,453</u>

The financial statements on pages 32 to 69 were approved by the Trustees, and authorised for issue on 18/12/20 and are signed on their behalf, by:


Mr C L Watt
Chair of Trustees

The notes on pages 37 to 69 form part of these financial statements.

TOVE LEARNING TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash provided by operating activities	19	945,379	442,665
Cash flows from investing activities	21	54,379	(730,995)
Cash flows from financing activities	20	181,141	1,688,000
Change in cash and cash equivalents in the year		1,180,899	1,399,670
Cash and cash equivalents at the beginning of the year		3,983,786	2,584,116
Cash and cash equivalents at the end of the year	22, 23	5,164,685	3,983,786

The notes on pages 37 to 69 form part of these financial statements

TOVE LEARNING TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgments and key sources of estimation uncertainty, is set out below.

1.1 Basis of preparation of financial statements

The financial statements of the trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The financial statements represent the financial results and the financial position of Tove Learning Trust ("the Academy Trust"), which comprised of the following member academies at the 31 August 2020:

Sponne School
The Elizabeth Woodville School
Lord Grey Academy
Rushden Academy
Grace Academy Darlaston
Grace Academy Solihull
Grace Academy Coventry
Wootton Primary School (from 1 January 2020)

Further details on the transfer in of Wootton Primary School can be found in note 29.

1.2 Company status

The Academy Trust is a company limited by guarantee, incorporated in England and Wales. The members of the company are the Trustees named on page 1. In the event of the Academy Trust being wound up, the liability in respect of the guarantee is limited to £10 per member of the Academy Trust.

1.3 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

TOVE LEARNING TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.4 Income

All incoming resources are recognised when the trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

- **Grants**

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of financial activities in the year for which it is receivable and any abatement in respect of the year is deducted from income and recognised as a liability.

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the Balance sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

- **Donations**

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

- **Other income**

Other income, including the hire of facilities, is recognised in the year it is receivable and to the extent the trust has provided the goods or services.

- **Transfer of existing academies into the trust**

Where assets and liabilities are received on the transfer of an existing academy into the trust, the transferred assets are measured at fair value and recognised in the Balance sheet at the point when the risks and rewards of ownership pass to the trust. An equal amount of income is recognised for the transfer of an existing academy into the trust within 'Income from Donations and Capital Grants' to the net assets acquired.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

TOVE LEARNING TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

1. Accounting policies (continued)

1.5 Expenditure (continued)

- **Expenditure on raising funds**

This includes all expenditure incurred by the trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

- **Charitable activities**

These are costs incurred on the trust's educational operations, including support costs and costs relating to the governance of the trust apportioned to charitable activities.

1.6 Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Depreciation is provided on the following bases:

Freehold property	- 2% straight line
Leasehold property	- 2-3% straight line
Furniture and fixtures	- 20% - 25% straight line
Plant and machinery	-
Plant and equipment	- 10% - 33.3% straight line
Motor vehicles	-

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

1.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

TOVE LEARNING TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.9 Liabilities and provisions

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.10 Financial instruments

The trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the trust and their measurement bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 15 and 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.11 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

TOVE LEARNING TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.12 Pensions

Retirement benefits to employees of the trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

1.13 Transfer in of existing academies

The transfer into the trust of an existing academy involves the transfer of identifiable assets and liabilities and the operation of the school for £NIL consideration. The substance of the transfer is that of a gift and it has been accounted for under the acquisition accounting method.

The assets and liabilities transferred from Wootton Primary School to the trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate Balance sheet categories, with a corresponding amount recognised in Income from Donations and Capital Grants in the Statement of financial activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 29 .

TOVE LEARNING TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.14 Agency arrangements

The Academy Trust acts as an agent in distributing bursary funds and grants from the ESFA and other government bodies. Payments received and subsequent disbursements to students are excluded from the statement of financial activities as the Academy Trust does not have control over the charitable application of the funds. In some instances the trust can use a percentage of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in the notes to the financial statements.

1.15 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the trust at the discretion of the Trustees.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Department for Education Group.

2. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The trust has also made an estimate in relation to the Wootton land and buildings that have transferred in during the year (see note 29). The valuation is based on an average £ per square footage based on values attributed to other similar size primary schools.

TOVE LEARNING TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

3. Income from donations and capital grants

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Transfer in from academy trust				
Fixed assets transferred from academy trust	-	-	2,273,040	2,273,040
Other net assets transferred from academy trust	154,942	-	-	154,942
Pension deficit transferred from academy trust	-	(688,000)	-	(688,000)
Late transfer received from predecessor trust	112,000	-	-	112,000
Total transfer in from academy trust	266,942	(688,000)	2,273,040	1,851,982
Donations	216,089	-	-	216,089
Capital Grants	-	-	1,748,157	1,748,157
Total donations and capital grants	216,089	-	1,748,157	1,964,246
Total 2020	483,031	(688,000)	4,021,197	3,816,228

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Transfer in from academy trust				
Land and buildings transferred from academy trust	-	-	65,246,000	65,246,000
Other net assets transferred from academy trust	65,000	694,000	-	759,000
Pension deficit transferred from academy trust	-	(5,753,000)	-	(5,753,000)
Total transfer in from academy trust	65,000	(5,059,000)	65,246,000	60,252,000

TOVE LEARNING TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

3. Income from donations and capital grants (continued)

	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Restricted fixed asset funds 2019 £</i>	<i>Total funds 2019 £</i>
Donations	18,354	12,663	-	31,017
Grants	-	-	2,939,052	2,939,052
Total donations and capital grants	18,354	12,663	2,939,052	2,970,069
Total 2019	83,354	(5,046,337)	68,185,052	63,222,069

4. Funding for the trust's funding for educational operations

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Total funds 2020 £</i>
DfE/ESFA grants			
General Annual Grant	-	36,564,900	36,564,900
Pupil premium grant	-	1,978,347	1,978,347
Other DfE/ESFA grants	-	2,730,372	2,730,372
	-	41,273,619	41,273,619
Other government grants			
Local authority grants	-	435,884	435,884
	-	435,884	435,884
Other funding			
Catering income	538,111	-	538,111
Other income	530,561	-	530,561
School trip income	113,092	-	113,092
GUTP Income and teacher recharges	-	216,914	216,914
Coronavirus exceptional support	-	59,869	59,869
Coronavirus Job Retention Scheme Grant	-	92,311	92,311
Total 2020	1,181,764	42,078,597	43,260,361

TOVE LEARNING TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

4. Funding for the trust's funding for educational operations (continued)

The academy trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown overleaf under "exceptional government funding".

- The funding received for coronavirus exceptional support covers £59,689 of reclaimed costs. These costs are included in notes 6 and 7 as appropriate.

- The academy trust furloughed some of its ancillary staff under the government's CJRS. The funding received of £92,311 relates to staff costs which are included within notes 6 and 7 below as appropriate.

	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Total funds 2019 £</i>
DfE/ESFA grants			
General Annual Grant	-	27,216,906	27,216,906
Pupil premium grant	-	1,286,937	1,286,937
Other DfE/ESFA grants	-	826,025	826,025
	-	29,329,868	29,329,868
Other government grants			
Local authority grants	-	411,424	411,424
	-	411,424	411,424
Other funding			
Catering income	491,449	-	491,449
Other income	395,717	-	395,717
School trip income	409,769	16,036	425,805
GUTP income and teacher recharges	-	227,845	227,845
	1,296,935	243,881	1,540,816
Total 2019	1,296,935	29,985,173	31,282,108

TOVE LEARNING TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

5. Income from other trading activities

	Unrestricted funds 2020 £	Total funds 2020 £
Lettings income	204,942	204,942

	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Lettings income	239,481	239,481

6. Expenditure

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £
Expenditure on fundraising trading activities:				
Direct costs	12,993	-	-	12,993
Funding for educational operations:				
Direct costs	28,439,100	-	3,086,800	31,525,900
Support costs	8,964,733	2,697,303	5,359,679	17,021,715
Teaching school	135,016	24,918	24,901	184,835
Total 2020	37,551,842	2,722,221	8,471,380	48,745,443

TOVE LEARNING TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

6. Expenditure (continued)

	<i>Staff Costs</i> 2019 £	<i>Premises</i> 2019 £	<i>Other</i> 2019 £	<i>Total</i> 2019 £
Expenditure on fundraising trading activities:				
Direct costs	217,743	-	-	217,743
Funding for educational operations:				
Direct costs	21,098,342	-	2,198,406	23,296,748
Allocated support costs	5,921,556	1,782,772	3,714,704	11,419,032
Teaching school	186,947	86,399	93,625	366,971
Total 2019	27,424,588	1,869,171	6,006,735	35,300,494

7. Support costs

	Total funds 2020 £	Total funds 2019 £
Staff costs	8,964,733	5,921,556
Depreciation	3,442,000	2,111,570
Premises costs	2,697,303	1,782,772
Technology costs	519,969	299,530
Other support costs	1,340,381	1,256,255
Governance costs	57,329	47,349
	17,021,715	11,419,032

During the year ended 31 August 2020, the trust incurred governance costs in relation to statutory audit fees and other legal and professional fees included above of £29,127 (2019: £24,822)

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

8. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2020 £	2019 £
Depreciation of tangible fixed assets:		
- owned by the academy	3,442,000	2,111,570
Transfer in from academy trust	1,851,982	60,252,000
Auditor's remuneration - audit	26,875	25,100
Auditor's remuneration - other services	5,355	4,276
Operating lease rentals	126,876	75,623
	<u>3,442,000</u>	<u>2,111,570</u>

9. Staff

a. Staff costs

Staff costs during the year were as follows:

	2020 £	2019 £
Wages and salaries	26,439,218	19,508,925
Social security costs	2,669,754	2,018,941
Pension costs	7,780,835	5,223,358
	<u>36,889,807</u>	<u>26,751,224</u>
Agency staff costs	617,086	573,061
Staff restructuring costs	44,949	100,303
	<u>37,551,842</u>	<u>27,424,588</u>

Staff restructuring costs comprise:

	2020 £	2019 £
Redundancy payments	44,949	100,303
	<u>44,949</u>	<u>100,303</u>

b. Non-statutory/non-contractual staff severance payments

There were 4 (2019: 9) non-statutory/non-contractual severance payments during the year amounting to £44,949 (2019: £95,998). Individually, the payments were for £5,595, £23,322, £3,229 and £12,802 (2019: £4,385, £7,966, £2,968, £18,911, £1,532, £13,111, £30,850 and £16,275).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

9. Staff (continued)

c. Staff numbers

The average number of persons employed by the trust during the year was as follows:

	2020 No.	2019 No.
Teachers	493	302
Administration and support	360	332
Management	75	67
	928	701
	928	701

d. Higher paid staff

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2020 No.	2019 No.
In the band £60,001 - £70,000	14	7
In the band £70,001 - £80,000	6	3
In the band £80,001 - £90,000	3	3
In the band £90,001 - £100,000	3	1
In the band £100,001 - £110,000	1	1
In the band £110,001 - £120,000	1	-
In the band £120,001 - £130,000	1	-
	14	16

e. Key management personnel

The key management personnel of the trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the trust was £487,860 (2019 £262,244).

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**NOTES TO THE FINANCIAL STATEMENTS
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10. Central services

The trust has provided the following central services to its academies during the year:

- legal services
- educational support services
- finance and estates support

The trust charges for these services on the following basis:

2.5% of GAG income

The actual amounts charged during the year were as follows:

	2020 £	2019 £
Sponne School	161,873	155,987
The Elizabeth Woodville School	130,068	127,161
Lord Grey Academy	181,767	175,628
Rushden Academy	99,046	99,244
Grace Academy Coventry	89,032	34,266
Grace Academy Darlaston	123,120	48,363
Grace Academy Solihull	105,470	40,320
Wootton Primary School (from transfer date)	23,365	-
Total	913,741	680,969

11. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2020 £	2019 £
Dr J Clarke, Chief Executive Officer & Accounting Officer	Remuneration	125,000 -	100,000 -
		130,000	105,000
	Pension contributions paid	25,000 -	15,000 -
		30,000	20,000
Mrs S Wagstaff	Remuneration	-	55,000 -
		-	60,000
	Pension contributions paid	-	10,000 -
		-	15,000

During the year ended 31 August 2020, no Trustee expenses have been incurred (2019 - £NIL).

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12. Trustees' and Officers' insurance

The Academy Trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business, and provides cover up to £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme membership.

13. Tangible fixed assets

	Freehold property £	Long leasehold property £	Furniture and fixtures £	Plant and equipment £	Assets under constr'n £	Total £
Cost or valuation						
At 1 September 2019	67,690,459	64,346,400	365,836	1,005,002	556,201	133,963,898
Additions	2,640,986	95,393	60,672	216,920	124,544	3,138,515
Transfer from academy trust	-	2,183,345	67,393	22,302	-	2,273,040
Disposals	-	-	-	(32,652)	-	(32,652)
Transfers between classes	519,429	-	-	-	(519,429)	-
At 31 August 2020	70,850,874	66,625,138	493,901	1,211,572	161,316	139,342,801
Depreciation						
At 1 September 2019	4,789,212	-	162,813	461,432	-	5,413,457
Charge for the year	1,416,905	1,742,860	58,589	223,646	-	3,442,000
On disposals	-	-	-	(32,652)	-	(32,652)
Transfers between classes	(539,682)	539,682	-	-	-	-
At 31 August 2020	5,666,435	2,282,542	221,402	652,426	-	8,822,805
Net book value						
At 31 August 2020	65,184,439	64,342,596	272,499	559,146	161,316	130,519,996
At 31 August 2019	62,901,247	64,346,400	203,023	543,570	556,201	128,550,441

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13. Tangible fixed assets (continued)

The trust leases the land it occupies from Solihull Metropolitan Borough Council, Coventry City Council, Northamptonshire County Council and Peterborough Diocesan Board of Finance on long leases of 125 years. The trust also occupies land that is owned by Walsall Metropolitan Borough Council on a temporary lease basis until the formal signing of the 125 year lease is agreed. The land associated with this lease has been accounted for on the same basis as the other long term leases in order to properly reflect the substance of the arrangement.

14. Debtors

	2020 £	2019 £
Due within one year		
Trade debtors	164,377	125,937
Other debtors	332,721	500,680
Prepayments and accrued income	1,247,381	1,023,580
Accrued capital grants	401,911	1,843,364
	<u>2,146,390</u>	<u>3,493,561</u>

15. Creditors: Amounts falling due within one year

	2020 £	2019 £
Salix loans (See note 16)	10,665	10,665
Trade creditors	647,578	401,077
Other taxation and social security	605,554	597,675
Other creditors	383,105	138,732
Accruals and deferred income	1,376,553	1,538,522
	<u>3,023,455</u>	<u>2,686,671</u>

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15. Creditors: Amounts falling due within one year (continued)

	2020 £	2019 £
	2020 £	2019 £
Deferred income at 1 September 2019	213,106	563,517
Resources deferred during the year	377,034	213,106
Amounts released from previous periods	(213,106)	(563,517)
	<u>377,034</u>	<u>213,106</u>

At the balance sheet date the Academy Trust was holding funds received in advance relating to school fund and rates relief grants received in advance of the 20/21 year.

16. Creditors: Amounts falling due after more than one year

	2020 £	2019 £
Salix loans	-	10,664

The Salix loans are repayable through equal instalments and are considered to be concessionary loans

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**NOTES TO THE FINANCIAL STATEMENTS
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17. Statement of funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
Unrestricted funds	1,074,731	1,873,020	(781,938)	-	-	2,165,813
Restricted general funds						
General Annual Grant (GAG)	1,432,001	36,564,900	(36,701,846)	(191,946)	-	1,103,109
Other DfE/ESFA grants	-	2,730,372	(2,730,372)	-	-	-
Teaching School	88,427	143,792	(183,196)	36,000	-	85,023
School funds	52,766	-	(52,766)	-	-	-
Pupil premium	-	1,978,347	(1,978,347)	-	-	-
Other restricted funds	-	804,978	(768,978)	(36,000)	-	-
Pension reserve	(17,512,000)	(688,000)	(2,106,000)	-	(2,092,000)	(22,398,000)
	<u>(15,938,806)</u>	<u>41,534,389</u>	<u>(44,521,505)</u>	<u>(191,946)</u>	<u>(2,092,000)</u>	<u>(21,209,868)</u>
Restricted fixed asset funds						
Fixed assets	128,550,441	-	(3,442,000)	5,411,555	-	130,519,996
Other capital grants	1,247,599	1,603,444	-	(1,917,368)	-	933,675
Transferred in from academy trusts	-	2,273,040	-	(2,273,040)	-	-
Expansion funding grants	684,362	197,378	-	(881,740)	-	-
CIF grants	200,126	(52,665)	-	(147,461)	-	-
	<u>130,682,528</u>	<u>4,021,197</u>	<u>(3,442,000)</u>	<u>191,946</u>	<u>-</u>	<u>131,453,671</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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17. Statement of funds (continued)

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Total Restricted funds	114,743,722	45,555,586	(47,963,505)	-	(2,092,000)	110,243,803
Total funds	115,818,453	47,428,606	(48,745,443)	-	(2,092,000)	112,409,616

The specific purposes for which the funds are to be applied are as follows:

Unrestricted funds

This fund represents unrestricted funds accumulated over time that can be spent at the discretion of the Trustees in the furtherance of the charitable objects.

Restricted general funds

This fund represents grants received for the trust's operational activities and development to be spent on the furtherance of the Trust's charitable objects.

Restricted fixed asset fund

This fund represents the carrying value of the fixed assets that have been funded by grants from the ESFA plus amounts received to be expended in the future on fixed assets.

Gains and losses

These represent the actuarial gains and losses on the Local Government Pension Scheme.

Transfers

These represent funds transferred from GAG to fund capital purchases and transfers between funds where costs have been borne out of different funds.

Under the funding agreement with the Secretary of State, the trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2020.

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**NOTES TO THE FINANCIAL STATEMENTS
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17. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2020 were allocated as follows:

	2020 £	2019 £
Sponne School	356,233	592,468
The Elizabeth Woodville School	(364,120)	74,437
Lord Grey Academy	617,619	480,134
Rushden Academy	90,882	249,885
Grace Academy Darlaston	367,163	83,647
Grace Academy Solihull	162,052	(55,340)
Grace Academy Coventry	463,931	49,802
Tove Learning Trust	1,450,860	1,172,892
Wootton Primary School	209,325	-
Total before fixed asset funds and pension reserve	3,353,945	2,647,925
Restricted fixed asset fund	131,453,671	130,682,528
Pension reserve	(22,398,000)	(17,512,000)
Total	112,409,616	115,818,453

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17. Statement of funds (continued)

The following academy is carrying a net deficit on its portion of the funds as follows:

	Deficit £
The Elizabeth Woodville School	364,120

The trust is actively supporting the above school with a view to returning them to surplus in the near future.

Total cost analysis by academy

Expenditure incurred by each academy during the year was as follows:

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2020 £
Sponne School	5,283,170	1,378,869	123,165	830,924	7,616,128
The Elizabeth Woodville School	4,048,940	1,696,506	145,120	875,228	6,765,794
Lord Grey Academy	5,226,156	1,885,902	176,170	1,019,502	8,307,730
Rushden Academy	3,311,632	889,493	179,410	554,887	4,935,422
Grace Academy Darlaston	3,912,012	902,267	208,637	917,831	5,940,747
Grace Academy Solihull	3,415,511	819,930	121,276	895,376	5,252,093
Grace Academy Coventry	2,179,881	946,380	115,284	1,000,366	4,241,911
Tove Learning Trust	355,892	333,370	-	415,340	1,104,602
Wootton Primary School	853,915	112,016	40,032	133,053	1,139,016
Trust	28,587,109	8,964,733	1,109,094	6,642,507	45,303,443

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17. Statement of funds (continued)

Comparative information in respect of the preceding year is as follows:

	<i>Teaching and educational support staff costs £</i>	<i>Other support staff costs £</i>	<i>Educational supplies £</i>	<i>Other costs excluding depreciation £</i>	<i>Total 2019 £</i>
Sponne School	5,158,622	1,224,877	111,595	861,866	7,356,960
The Elizabeth Woodville School	3,532,040	1,114,638	109,662	1,105,477	5,861,817
Lord Grey Academy	5,392,492	1,122,212	247,395	889,387	7,651,486
Rushden Academy	3,379,788	676,810	166,457	596,115	4,819,170
Grace Academy Darlaston	1,559,261	558,351	57,400	375,962	2,550,974
Grace Academy Solihull	1,383,524	641,944	45,487	320,638	2,391,593
Grace Academy Coventry	1,026,759	369,384	9,098	338,652	1,743,893
Tove Learning Trust	210,625	213,340	1,020	335,744	760,729
Wootton Primary School	-	-	-	-	-
Trust	21,643,111	5,921,556	748,114	4,823,841	33,136,622

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**NOTES TO THE FINANCIAL STATEMENTS
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17. Statement of funds (continued)

Comparative information in respect of the preceding year is as follows:

	<i>Balance at 1 September 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2019 £</i>
Unrestricted funds						
Unrestricted funds	608,552	1,622,872	(1,156,693)	-	-	1,074,731
Restricted general funds						
General Annual Grant (GAG)	445,830	27,216,906	(26,031,527)	(199,208)	-	1,432,001
Other DfE/ESFA grants	164,984	2,112,962	(2,277,946)	-	-	-
Teaching School	50,054	365,917	(366,971)	39,427	-	88,427
School funds	36,730	16,036	-	-	-	52,766
Other restricted funds	122,482	651,932	(734,987)	(39,427)	-	-
Transfer from academy trusts	-	694,000	(694,000)	-	-	-
Pension reserve	(5,503,200)	(5,753,000)	(1,926,800)	-	(4,329,000)	(17,512,000)
	<u>(4,683,120)</u>	<u>25,304,753</u>	<u>(32,032,231)</u>	<u>(199,208)</u>	<u>(4,329,000)</u>	<u>(15,938,806)</u>
Restricted fixed asset funds						
Fixed assets	63,704,689	-	(2,111,570)	66,957,322	-	128,550,441
Other capital grants	705,149	391,791	-	150,659	-	1,247,599
Transferred in from academy trusts	-	65,246,000	-	(65,246,000)	-	-
CIF grants	-	1,642,090	-	(1,441,964)	-	200,126
Expansion funding grants	-	905,171	-	(220,809)	-	684,362
	<u>64,409,838</u>	<u>68,185,052</u>	<u>(2,111,570)</u>	<u>199,208</u>	<u>-</u>	<u>130,682,528</u>

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17. Statement of funds (continued)

	<i>Balance at 1 September 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2019 £</i>
Total Restricted funds	<u>59,726,718</u>	<u>93,489,805</u>	<u>(34,143,801)</u>	<u>-</u>	<u>(4,329,000)</u>	<u>114,743,722</u>
Total funds	<u><u>60,335,270</u></u>	<u><u>95,112,677</u></u>	<u><u>(35,300,494)</u></u>	<u><u>-</u></u>	<u><u>(4,329,000)</u></u>	<u><u>115,818,453</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	130,519,996	130,519,996
Current assets	2,165,813	4,211,587	933,675	7,311,075
Creditors due within one year	-	(3,023,455)	-	(3,023,455)
Provisions for liabilities and charges	-	(22,398,000)	-	(22,398,000)
Total	2,165,813	(21,209,868)	131,453,671	112,409,616

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	128,550,441	128,550,441
Current assets	1,074,731	4,270,529	2,132,087	7,477,347
Creditors due within one year	-	(2,686,671)	-	(2,686,671)
Creditors due in more than one year	-	(10,664)	-	(10,664)
Provisions for liabilities and charges	-	(17,512,000)	-	(17,512,000)
Total	1,074,731	(15,938,806)	130,682,528	115,818,453

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2020 £	2019 £
Net (expenditure)/income for the period (as per Statement of financial activities)	(1,316,837)	59,812,183
Adjustments for:		
Depreciation charges	3,442,000	2,111,570
Interest receivable	(3,283)	(3,102)
Increase in debtors	(94,283)	(805,679)
Increase in creditors	336,784	964,570
Capital grants receivable	(2,021,197)	(2,939,052)
Defined benefit pension scheme obligation inherited	688,000	5,753,000
Defined benefit pension scheme cost less contributions payable	1,756,000	1,204,000
Defined benefit pension scheme finance cost	350,000	228,000
Defined benefit pension scheme prior year adjustment	-	494,800
Transfer in from academy trusts	(2,191,805)	(66,377,625)
Net cash provided by operating activities	945,379	442,665

20. Cash flows from financing activities

	2020 £	2019 £
Cash transferred from academy trusts	191,805	1,688,000
Repayments of borrowing	(10,664)	-
Net cash provided by financing activities	181,141	1,688,000

21. Cash flows from investing activities

	2020 £	2019 £
Interest received	3,283	3,102
Purchase of tangible fixed assets	(3,138,514)	(2,267,841)
Capital grants from DfE Group	3,189,610	1,533,744
Net cash provided by/(used in) investing activities	54,379	(730,995)

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**NOTES TO THE FINANCIAL STATEMENTS
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22. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	5,164,685	3,983,786
Total cash and cash equivalents	5,164,685	3,983,786

23. Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	Other non- cash changes £	At 31 August 2020 £
Cash at bank and in hand	3,983,786	1,180,899	-	5,164,685
Debt due within 1 year	(10,665)	10,664	(10,664)	(10,665)
Debt due after 1 year	(10,664)	-	10,664	-
	3,962,457	1,191,563	-	5,154,020

24. Pension commitments

The trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Northampton Pension Fund, Buckingham County Council Pension Fund and West Midlands Pension Fund. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

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NOTES TO THE FINANCIAL STATEMENTS
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24. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the year amounted to £4,203,769 (2019 - £2,170,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £1,947,000 (2019 - £1,500,000), of which employer's contributions totalled £1,510,000 (2019 - £1,177,000) and employees' contributions totalled £ 437,000 (2019 - £323,000). The agreed contribution rates for future years are 23.68 per cent for employers and 5.5 per cent for employees.

As described in note the LGPS obligation relates to the employees of the trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the trust at the balance sheet date.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

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**NOTES TO THE FINANCIAL STATEMENTS
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24. Pension commitments (continued)

Principal actuarial assumptions

	2020	2019
	%	%
Discount rate for scheme liabilities	1.68	1.85
Expected return on scheme assets at 31 August	1.68	1.85
Rate of increase in salaries	2.90	3.03
Rate of increase for pensions in payment / inflation	2.20	2.25

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	2020	2019
	Years	Years
<i>Retiring today</i>		
Males	21.6	21.5
Females	24.0	23.6
<i>Retiring in 20 years</i>		
Males	22.7	22.8
Females	25.5	25.2

Sensitivity analysis

Share of scheme assets

The trust's share of the assets in the scheme was:

	2020	2019
	£	£
Equities	19,146,000	18,028,000
Gilts	4,060,000	3,532,000
Corporate bonds	1,062,000	974,000
Property	2,705,000	2,352,000
Cash and other liquid assets	3,965,000	3,324,000
Total market value of assets	30,938,000	28,210,000

The actual return on scheme assets was £2,049,000 (2019 - £1,350,000).

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**NOTES TO THE FINANCIAL STATEMENTS
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24. Pension commitments (continued)

The amounts recognised in the Statement of Financial Activities are as follows:

	2020 £	2019 £
Past service cost	-	323,000
Net interest on defined liability	338,000	223,000
Prior year adjustment	-	494,800
Current service cost	3,266,000	2,058,000
Administrative expenses	12,000	5,000
Total amount recognised in the Statement of Financial Activities	3,616,000	3,103,800

Changes in the present value of the defined benefit obligations were as follows:

	2020 £	2019 £
At 1 September	45,722,000	17,168,900
Transferred in on existing academies joining the trust	1,741,000	19,796,000
Interest cost	890,000	707,000
Employee contributions	437,000	323,000
Actuarial losses	1,858,000	5,204,000
Benefits paid	(578,000)	(433,000)
Current service cost	3,266,000	2,058,000
Past service costs	-	323,000
Prior year adjustments	-	575,100
At 31 August	53,336,000	45,722,000

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

24. Pension commitments (continued)

Changes in the fair value of the trust's share of scheme assets were as follows:

	2020 £	2019 £
At 1 September	28,210,000	11,665,700
Upon conversion	1,053,000	14,043,000
Interest income	552,000	484,000
Actuarial losses	(234,000)	875,000
Employer contributions	1,510,000	1,177,000
Employee contributions	437,000	323,000
Benefits paid	(578,000)	(433,000)
Prior year adjustments	-	80,300
Administrative expenses	(12,000)	(5,000)
At 31 August	30,938,000	28,210,000

25. Operating lease commitments

At 31 August 2020 the trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	151,839	72,553
Later than 1 year and not later than 5 years	367,641	137,548
Later than 5 years	416,500	-
	935,980	210,101

26. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

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27. Related party transactions

Owing to the nature of the trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 11.

28. Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2020 the Trust received £80,859 (2019 - £66,223) and disbursed £37,643 (2019 - £26,333) from the fund. An amount of £105,868 (2019 - £61,974) is included in other creditors relating to undistributed funds that is repayable to ESFA.

29. Transfer of existing academies into the trust

Wootton Primary School (transferred on 1 January 2020)

	Value reported by transferring trust £	Transfer in recognised £
Tangible fixed assets		
Fixed Assets	2,273,040	2,273,040
Current assets		
Other net assets	154,754	154,754
Liabilities		
Pensions		
Pension deficit	(688,000)	(688,000)
Net assets	<u>1,739,794</u>	<u>1,739,794</u>

During the year, funds were also received from the liquidator of Learning Schools Trust of which Elizabeth Woodville School was previously a part of. £112,188 of additional cash reserves were transferred to the trust during the year.

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30. Teaching school trading account

	2020 £	2020 £	2019 £	2019 £
Income				
Direct income				
Other Income	50,515		233,739	
Other income				
Fundraising and other trading activities	93,277		132,178	
Total income		143,792		365,917
Expenditure				
Direct expenditure				
Direct staff costs	135,016		135,695	
Staff development	9,254		52,302	
Other direct costs	10,687		41,323	
Total direct expenditure	154,957		229,320	
Other expenditure				
Support staff costs	-		51,252	
Other support costs	29,878		86,399	
Total other expenditure	29,878		137,651	
Total expenditure		184,835		366,971
Transfers between funds		36,000		-
Deficit from all sources		(5,043)		(1,054)
Teaching school balances at 1 September 2019		88,427		89,481
Teaching school balances at 31 August 2020		83,384		88,427

31. Post balance sheet events

On 1 September 2020 the Trustees agreed that the schools of Lakes Academies Trust would join Tove Learning Trust.

